

CITY OF SAN JOSÉ, CALIFORNIA
Redevelopment Agency of the City of San Jose
50 W. San Fernando Street, Suite 1100
San José, California 95110

STAFF REPORT

Hearing Date/Agenda Number
PC Agenda: 1-14-04 Item: 3.

File Number
RCP03-032

Application Type
Conditional Use Permit

Council District
3

Planning Area
Downtown Core

Assessor's Parcel Number(s)
259-42-043

PROJECT DESCRIPTION

Completed by: Amie Glaser

Location: 211 South First Street

Gross Acreage: 0.57

Net Acreage: 0.57

Net Density: n/a

Existing Zoning: CG

Existing Use: Vacant Building

Proposed Zoning: n/a

Proposed Use: Hotel with a public eating and drinking establishment entertainment establishment, and banquet facilities, all with after-midnight hours of operation.

GENERAL PLAN

Completed by: AG

Land Use/Transportation Diagram Designation
Core Area

Project Conformance: ☒ Yes ☐ No
☒ See Analysis and Recommendations

SURROUNDING LAND USES AND ZONING

Completed by: AG

North: Fairmont Hotel

CG (Commercial General)

East: Commercial Office Building

CG (Commercial General)

South: Vacant Lot

CG (Commercial General)

West: Residential High Rise Building

CG (Commercial General)

ENVIRONMENTAL STATUS

Completed by: AG

☒ Environmental Impact Report found complete April 27, 1999
☐ Negative Declaration circulated on

☐ Exempt
☐ Environmental Review Incomplete

FILE HISTORY

Completed by: AG

Annexation Title: Original City

Date: n/a

HISTORIC STATUS: California Landmark

Completed by: AG

PUBLIC AGENCY COMMENTS RECEIVED

Completed by: AG

Department of Public Works

No Comments Received

Other Departments and Agencies

Police Department – See Conditions of Approval

GENERAL CORRESPONDENCE

None Received

ANALYSIS AND RECOMMENDATIONS

PROJECT DESCRIPTION

The project site is located 211 South First Street. The site is developed with a 4 story commercial hotel building in the Commercial General (CG) and (DG) Ground Floor Retail Zoning Districts. The entire site is currently occupied by the Hotel Montgomery, a designated City Landmark. The property owner is requesting a Conditional Use Permit (CUP) to allow a public drinking establishment, an entertainment establishment, and banquet facilities, as well as after-midnight hours of operation for such uses including a public eating establishment. The request is to allow the eating establishment to operate after midnight until 2:00 a.m., similar to other hotels in the immediate vicinity, for example the Hyatt Saint Claire and the Hilton. The request is also to allow a drinking establishment and an entertainment establishment within the hotel, both to be open until 2:00 a.m. daily, with entertainment and alcohol service ceasing at 1:30 a.m. Additionally, this request is to allow banquet facilities within the hotel and enable its operation after hours until 2:00 a.m.

GENERAL PLAN CONFORMANCE

The project site is designated Core Area on the San Jose 2020 Land Use/Transportation Diagram. This designation allows a range of “office, retail, service, residential, and entertainment uses in the Downtown Core Area.” More specifically, late night, entertainment-oriented uses, including restaurants, are encouraged to locate in the Core Area rather than in other less appropriate areas of the City so long as they do not impact neighboring uses. Given the project’s location, the proposed uses are consistent with the General Plan and the Core Area designation.

ENVIRONMENTAL REVIEW

Pursuant to Section 15180 of the 2001 CEQA Guidelines, the City of San Jose has determined that the project will not create new significant environmental impacts beyond those analyzed in the Final Supplemental Environmental Impact Report (SEIR) entitled "Downtown Strategy Plan" certified by City Council Resolution No. 68839 on April 27, 1999.

ANALYSIS

Through the subject CUP, the applicant proposes to operate the restaurant and drinking establishment with live entertainment, between the hours of 7:00 a.m. to 2:00 a.m. daily. Such uses are subject to the City Council's 24-hour Use Policy, Guidelines for Evaluation of Nightclubs and Bars and the City's Zoning Ordinance. The objective of these policies and ordinances is to ensure that late-night uses are compatible with surrounding land uses. A key provision of these policies is to ensure that entertainment and after-midnight uses not be approved unless the facilities can operate without detriment to nearby residential uses and the general welfare of the surrounding area. The following issues address the project's operational compatibility within its surroundings.

Guidelines for Evaluation of Nightclubs and Bars

The Hotel Montgomery restaurant (to be called Paragon), drinking establishment, and entertainment establishment would be limited in operation to no later than 2:00 a.m., with alcohol service and entertainment ceasing at 1:30 a.m. Patrons would need to leave by 2:00 a.m. This proposal is consistent with the Guidelines for Evaluation of Nightclubs and Bars, where after midnight uses are encouraged to locate within the Downtown. The Hotel Montgomery's location, amid adjacent restaurant and commercial uses, is compatible with surrounding land uses. The proposed project complies with the Guidelines for Evaluation of Nightclubs and Bars because the conditions applied to the CUP will ensure that the project: complies with the Noise Ordinance, complies with garbage and litter pick up requirements, and complies with age restrictions for the service of alcohol. Failure to comply with the conditions of approval could result in the revocation of the CUP by the Planning Commission.

The Police Department has reviewed the proposal and is in support of the use provided Conditions of Approval regarding litter removal, noise, and nuisance abatement, and are approved as a part of the CUP. Please see the Conditions of Approval at the end of this report. Security will be required at special entertainment events as suggested by the Police Department.

Land Use Compatibility

at the property line. Any live entertainment or after-midnight use should not have an impact upon the residential units.

Parking

The subject site is located in the Downtown Parking Management Zone and its parking requirements are governed by Section 20.90.510 of the Municipal Code. Based on the provisions of Section 20.90.510, parking was constructed on the Hotel Montgomery site for patrons. Nearby parking facilities (i.e., public garage, on-street parking) will also be able to serve patrons and employees of the facility. No additional parking is required as a part of the approval of this CUP.

Public Outreach

Notice of the proposed project was circulated to properties within 300 feet of the subject property.

CONCLUSION

Based on the analysis above, Staff believes that the proposed hotel, restaurant and drinking establishment with entertainment and banquet facilities, all with after midnight hours of operation, is consistent with the requirements of the Zoning Ordinance, General Plan, and City Council 24-hour Use Policy and Guidelines for Evaluation of Nightclubs and Bars. In addition, the conditions of approval (below) will help to ensure the project's operational compatibility within its surroundings

FACTS

The Planning Commission determines that the following are the relevant facts regarding the proposed project:

1. This is a Conditional Use Permit (CUP) to operate a public drinking establishment, an entertainment establishment, and banquet facilities all with after-midnight hours of operations, including a public eating establishment, between the hours of 7:00 a.m. and 2:00 a.m. daily.
2. The project site is approximately 0.57 acres and is located in the Commercial General (CG) and Ground Floor Retail (DG) Zoning Districts.
3. A Conditional Use Permit is required for the operation of a drinking establishment, entertainment establishment, banquet facilities, and after-midnight operations in the CG Zoning District.

7. The subject site is located in the Downtown Parking Management Zone. Based on the parking provisions for the Downtown Parking Management Zone (Municipal Code, Section 20.90.510), parking is not required for eating, drinking, and entertainment establishments.
8. The project is consistent with the City Council 24-hour Use Policy and Guidelines for Evaluation of Nightclubs and Bars.
9. The project does not include any exterior changes to the structure.

RECOMMENDATION

Agency staff recommends that the Planning Commission approve the requested Conditional Use Permit and include the following findings and conditions in its Resolution.

This Planning Commission concludes and finds, based upon an analysis of the above facts, that:

1. Upon issuance of this Conditional Use Permit, the project will comply with the provisions of the Commercial General (CG) and Ground Floor Retail (DG) Zoning District in that the operation of a drinking and entertainment establishment; and banquet facilities and commercial use between the hours of 12:00 a.m. and 6:00 a.m. requires the approval of a Conditional Use Permit.
2. The project conforms to the San Jose 2020 General Plan in that it proposes the operation of a restaurant, drinking establishment, and of banquet facilities with live entertainment and after-midnight hours of operation within the Downtown Core Area.
3. This project is consistent with the City Council Policies on 24-Hour Use and Bars and Nightclubs in that it proposes the operation of a drinking and entertainment establishment, with after midnight hours of operation, in an area of downtown predominately developed with commercial land uses.
4. The project conforms to the California Environmental Quality Act in that it does not create impacts not previously addressed in the Downtown Strategy Plan Final Supplemental EIR.
5. The proposed use complies with the parking provisions of Downtown Parking Management Zone, as described in Municipal Code, Section 20.90.500.

FINDINGS

- b. Impair the utility or value of property of other persons located in the vicinity of the site because the proposed restaurant and drinking establishment will not alter or diminish the value of adjacent restaurants or businesses, raise new safety concerns, or create visual impacts; or
 - c. Be detrimental to public health, safety or general welfare because the potential environmental impacts of the project were addressed by the final supplemental environmental impact report entitled, "Downtown Strategy Plan EIR" (Resolution No. 68839) and police reports of past experience in the area corroborate that such use will not adversely affect the public health, safety or general welfare; and
2. The proposed site is adequate in size and shape to accommodate the development features necessary to integrate said use with the uses in the surrounding area because the project site already includes the improvements needed for the proposed uses which are compatible with the uses in the surrounding area; and
3. The proposed site is adequately served:
- a. By highways or streets of sufficient width and improved as necessary to carry the kind and quantity of traffic such use would generate in that the proposed project will not need to provide offsite improvements to the existing roadway network or transit facilities; and
 - b. By other public or private service facilities as are required in that the scale of the project will not necessitate expansion of existing service facilities.

In accordance with the findings set forth above, a Conditional Use Permit to use the subject property for said purposes specified above and subject to each and all of the conditions hereinafter set forth is hereby granted. This Planning Commission expressly declares that it would not have granted this permit except upon and subject to each and all of the following conditions. Each and all of which conditions shall run with the land and be binding upon the owner and all subsequent owners of the subject property and all persons who use the subject property for the use conditionally permitted hereby.

CONDITIONS PRECEDENT

This Conditional Use Permit shall have no force or effect and the subject property shall not be used for the hereby permitted uses unless and until all requirements of the below enumerated precedent conditions all have been performed or caused to be performed and this Resolution has been recorded with the County Recorder.

1. Acceptance and Payment of Recording Fees. Within sixty (60) days from the date of this Resolution, the property owner(s) shall accept this permit by signing the form provided hereto, and paying the fee

such land use approval hereby acknowledges receipt of notice that the issuance of a building permit to implement such land development approval may be suspended, conditioned or denied where the City Manager has determined that such action is necessary to remain within the aggregate operational capacity of the sanitary sewer system available to the City of San Jose or to meet the discharge standards of the sanitary sewer system imposed on the California Regional Water Quality Control Board for the San Francisco Bay Region.

2. Security. Special events involving live entertainment shall have on-site, uniformed security. Two security personnel are required for every 100 patrons attending the special event.
3. Nuisance. This use shall not be operated in a manner that creates a public or private nuisance. Any such nuisance must be abated immediately upon notice by the City or the Redevelopment Agency.
4. Hours of Operation. The eating, drinking, and entertainment establishments shall be allowed to be open between the hours of 7:00 a.m. to 2:00 a.m. daily.
5. Alcohol Service. Alcohol service is limited to between the hours of 7:00 a.m. and 1:30 a.m.
6. Entertainment. All entertainment shall be limited to between the hours of 7:00 a.m. and 1:30 a.m.
7. Noise and Acoustics.
 - a. During the hours of operation, amplified sound shall be carefully regulated to ensure compatibility with adjacent uses.
 - b. Noise emission shall comply with the policies identified in the Noise Element of the General Plan.
8. Trash, Refuse, Garbage and Litter.
 - a. Cleaning shall include keeping all publicly used areas free of litter, trash, cigarette butts and garbage and shall include daily damp washing of all exterior walls and sidewalks along the project's frontages.
 - b. Mechanical equipment used for outside maintenance, including blowers and street-sweepers shall not be used between 10:00 PM and 6:00 a.m., daily.
 - c. All trash areas, equipment, and containers shall be effectively screened from view and maintained in an orderly state at all times.
 - d. The facility operator shall provide adequate ashtrays along the business frontage to accommodate patrons who wish to smoke outdoors. Patrons smoking outdoors shall not impede pedestrian

CONDITIONS SUBSEQUENT

1. Revocation, Suspension, Modification. This Conditional Use Permit may be revoked, suspended or modified by the Planning Commission or by the City Council on appeal, at any time, regardless of who is the owner of the subject property or who has the right to possession thereof or who is using the same at such time, whenever, after a noticed hearing in accordance with Part 2, Chapter 20.100.350, of the San Jose Municipal Code it finds:
 - a. A violation of any conditions of the Conditional Use Permit was not abated, corrected or rectified within the time specified on the notice of violation; or
 - b. A violation of any City ordinance or State law was not abated, corrected or rectified within the time specified on the notice of violation; or
 - c. The use presently conducted creates a nuisance.
2. Compliance Review. A Compliance Hearing may be required at the discretion the Planning Commission at any time during the period of time this permit is in effect.